

SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION

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A Joint Powers Agency Representing Sacramento County and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Rancho Cordova and Sacramento

SACRAMENTO METROPOLITAN CABLE TELEVISION COMMISSION REGULAR BOARD MEETING DECEMBER 7, 2017

Sacramento County Board Chambers
700 H Street, Suite 1450
Sacramento, California

ACTION SUMMARY

CALL TO ORDER / ROLL CALL

Vice Chair Hedges called the meeting to order at 2:32 p.m.

Board Members Present: Albert J. Fox, Vice Chair Matt Hedges (Alternate for Sue Frost), Consuelo Hernandez (Alternate for Steve Hansen), Lori Heuer, Susan McKee (Alternate for Patrick Kennedy), Lisa Nava (Alternate for Phil Serna), Don Nottoli, Sarah Pollo (Alternate for Eric Guerra), Ex-Officio Garrett Gatewood

Howard Schmidt (Alternate for Susan Peters) arrived at 2:56 p.m.

Board Members Absent: Matt Bryant (Alternate for Larry Carr), Steve Detrick

Staff Present: Executive Director Bob Davison, Legal Counsel Harriet Steiner, Administrative Services Officer III Karen Liu

Director Fox led the Pledge of Allegiance.

ITEM NO. 1) CONFERENCE WITH LEGAL COUNSEL

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9
Name of Case: Comcast of Sacramento I, LLC, ET AL. v. SMCTC
Case No. 2:16-CV-01264-WBS-EFB
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: 2 Cases

Board Action:

The Board adjourned to a closed session at 2:33 p.m.

Vice Chair Hedges reconvened the meeting at 2:42 p.m. and announced there was no reportable action.

ITEM NO. 2) OPTIONS FOR ANNUAL ADJUSTMENTS TO CHANNEL LICENSEES' BASE FUNDING IN THE GENERAL FUND AND PEG FEE FUND BUDGETS

Executive Director Bob Davison provided an overview of the four viable options for annual adjustments to Channel Licensees' base funding in the General Fund and PEG Fee Fund Budgets.

Board Action:

On a motion by Director Heuer, seconded by Director Pollo, the Board approved:

- Option 2 – to include the General COLA plus annual minimum wage adjustments;
- all associated federal and state payroll taxes;
- one-time request for Access Sacramento's increase in property insurance of \$12,685; and
- the revised Exhibit A for Option 2.

The Board also provided staff with the following direction:

- revise the existing COLA Policy for Channel Licensees based on Option 2;
- make appropriation adjustments to all of the Channel Licensees' Base Funding that was approved in the Fiscal Year 2017-18 General Fund and PEG Fee Fund final budgets; consistent with the revised Exhibit A for Option 2;
- Authorization for the Executive Director to execute the Amendments to the Channel Licensee's Fiscal Year 2017-18 Annual Funding and Performance Agreements consistent with the revised Exhibit A.

AYES: Fox, Hedges (Alternate for Frost), Hernandez (Alternate for Hansen), Heuer, McKee (Alternate for Kennedy), Nottoli, Pollo (Alternate for Guerra)
NOES: Nava (Alternate for Serna), Schmidt (Alternate for Peters)
ABSTAIN: None
ABSENT: Bryant (Alternate for Carr), Detrick

ITEM NO. 3) RESOLUTION NO. 2017-011, ADOPTING THE PROPOSED MID-YEAR GENERAL FUND (094A) AND PEG FEE FUND (094B) BUDGET ADJUSTMENTS FOR FISCAL YEAR 2017-18

Executive Director Bob Davison explained the reason for the proposed mid-year budget adjustments for Fiscal Year 2017-18 was a result of Access Sacramento's request for special funding, to cover the costs of minimum wage increase, resulting payroll costs, and an increase for property insurance for PEG equipment.

Board Action:

On a motion by Director Nottoli, seconded by Director Heuer, the Board approved Resolution No. 2017-011, Adopting the Proposed Mid-Year General Fund (094A) and PEG Fee Fund (094B) Budget Adjustments for Fiscal Year 2017-18.

AYES: Fox, Hedges (Alternate for Frost), Hernandez (Alternate for Hansen), Heuer, McKee (Alternate for Kennedy), Nava (Alternate for Serna), Nottoli, Pollo (Alternate for Guerra)
NOES: Schmidt (Alternate for Peters)
ABSTAIN: None
ABSENT: Bryant (Alternate for Carr), Detrick

ITEM NO. 4) RESOLUTION NO. 2017-012, DELEGATING AUTHORITY TO THE EXECUTIVE DIRECTOR TO ENTER INTO A NEW OFFICE SPACE LEASE AGREEMENT WITH THE COUNTY OF SACRAMENTO

Executive Director Bob Davison stated the five-year office lease agreement for office space in the County Building located at 799 G Street expired on October 1, 2017. The County was amendable to renewing the office agreement for another five years, commencing January 1, 2018.

Board Action:

On a motion by Director Nava, seconded by Director Fox, the Board approved Resolution No. 2017-012, Delegating Authority to the Executive Director to Enter into a New Office Space Lease Agreement with the County of Sacramento, located on the fourth floor of the County-owned building at 799 G Street in Sacramento.

AYES: Fox, Hedges (Alternate for Frost), Hernandez (Alternate for Hansen), Heuer, McKee (Alternate for Kennedy), Nava (Alternate for Serna), Nottoli, Pollo (Alternate for Guerra), Schmidt (Alternate for Peters)
NOES: None
ABSTAIN: None
ABSENT: Bryant (Alternate for Carr), Detrick

ITEM NO. 5) LETTERS OF AGREEMENT FOR ANALYSIS OF FRANCHISE & PEG FEES PAID BY COMCAST AND CONSOLIDATED COMMUNICATIONS IN CALENDAR YEARS 2015 AND 2016

Executive Director Bob Davison stated based on Ashpaugh & Sculco's expertise in the area, their demonstrated recovery record for unpaid fees, and audit cost savings to the Commission, staff recommends the Board approve the Letters of Agreement for A&S to perform the analysis of franchise & PEG fee paid by Comcast and Consolidated Communications in Calendar Years 2015 and 2016.

Board Action:

On a motion by Director Fox, seconded by Director Heuer, the Board authorized the Executive Director to sign the Letters of Agreement with Ashpaugh & Sculco, CPAs, PLC, to perform a review of franchise & Public, Education and Government (PEG) fees paid by Comcast and Consolidated Communications to the Sacramento Metropolitan Cable Television Commission (Commission) from January 1, 2015 through December 31, 2016.

AYES: Fox, Hedges (Alternate for Frost), Hernandez (Alternate for Hansen), Heuer, McKee (Alternate for Kennedy), Nava (Alternate for Serna), Nottoli, Pollo (Alternate for Guerra), Schmidt (Alternate for Peters)

NOES: None
ABSTAIN: None
ABSENT: Bryant (Alternate for Carr), Detrick

ITEM NO. 6) RESOLUTION NO. 2017-013, AUTHORIZING THE ISSUANCE OF A SUBPOENA RELATING TO A REVIEW OF FRANCHISE & PEG FEES PAID BY COMCAST IN CALENDAR YEARS 2015 AND 2016

Executive Director Bob Davison explained in the interest of time and if needed, it was prudent for the Board to approve a resolution authorizing the issuance of a subpoena relating to the review of franchise & PEG fees paid by Comcast in Calendar Years 2015 and 2016, if needed, since the Board will not meet again until March 1, 2018.

Board Action:

On a motion by Director Fox, seconded by Director McKee, the Board approved Resolution No. 2017-013, Authorizing the Issuance of a Subpoena Relating to a Review of Franchise and PEG Fees paid by Comcast to the Sacramento Metropolitan Cable Television Commission in Calendar Years 2015 and 2016.

AYES: Fox, Hedges (Alternate for Frost), Hernandez (Alternate for Hansen), Heuer, McKee (Alternate for Kennedy), Nava (Alternate for Serna), Nottoli, Pollo (Alternate for Guerra), Schmidt (Alternate for Peters)
NOES: None
ABSTAIN: None
ABSENT: Bryant (Alternate for Carr), Detrick

ITEM NO. 7) REVISED CALENDAR YEAR 2018 QUARTERLY BOARD MEETING SCHEDULE

Executive Director Bob Davison explained two of the meeting dates scheduled in 2018 had to be rescheduled since the County Board of Supervisors scheduled budget meetings on Thursday, June 7, 2018 and Thursday, September 6, 2018. As a result, the Commission Board meetings scheduled on those two dates had to be rescheduled to June 28, 2018 and October 4, 2018.

Board Action:

The Board received and filed the revised Calendar Year 2018 Quarterly Board Meeting Schedule.

ITEM NO. 8) GENERAL ADMINISTRATION REPORT

Executive Director Bob Davison provided a verbal report on the status of the following matters:

1. Classification and Compensation Study;
2. Telecom Advocacy Coalition Lobbying Efforts;
3. Request for Funding in FY 2018-19 to create Public Service Announcements.

ITEM NO. 9) CHANNEL LICENSEE/GRANTEE REPORTS

Liz Rhodes, Executive Director of SECC, Gary Martin, Executive Director of Access Sacramento, and David Lowe, President and General Manager of KVIE provided the Board with updates of their programs and current events.

ITEM NO. 10) STATE FRANCHISEE REPORTS

There were no State Franchisee representatives present.

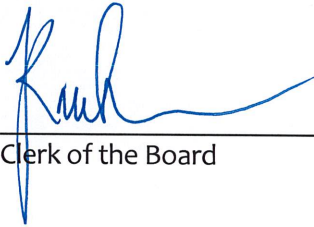
ITEM NO. 11) PUBLIC COMMENTS

There were no comments received from the public.

ADJOURNMENT

With no other business to conduct, Vice Chair Hedges adjourned the regular meeting at 3:57 p.m.

Respectfully submitted,



Karen Liu, Clerk of the Board

EXHIBIT A
OPTION 2 (REVISED 12-7-2017)

GENERAL FUND (094A)
CHANNEL LICENSEES – OPERATIONS BASE

Description	FY 2016-17 Base Funding	FY 2017-18 Approved (with 2% COLA)	FY 2017-18 Proposed Adjustments - 0.91% COLA + One-time Insurance	FY 2017-18 Total Adjusted
ACCESS SACRAMENTO				
Operations Base	\$468,027	\$477,388	\$4,259	\$481,647
HT-TV	\$60,883	\$62,101	\$554	\$62,655
GOTW	\$52,969	\$54,028	\$482	\$54,510
One-Time Insurance			\$12,685	\$12,685
ACCESS SAC TOTAL	\$581,879	\$593,517	\$17,980	\$611,497
CAPITAL PUBLIC RADIO (CPR)				
Operations Base	\$21,050	\$21,471	\$192	\$21,663
One-time Equipment	\$7,191	\$8,321		\$8,321
CAPITAL PUBLIC RADIO TOTAL	\$28,241	\$29,792	\$192	\$29,984
KVIE, INC.				
Operations Base	\$230,233	\$234,838	\$2,095	\$236,933
KVIE, INC. TOTAL	\$230,233	\$234,838	\$2,095	\$236,933
SACRAMENTO EDUCATIONAL CABLE CONSORTIUM (SECC)				
SECC Operations Base	\$299,434	\$305,423	\$2,725	\$308,148
BESTNet Operations Base	\$65,780	\$67,096	\$599	\$67,695
SECC TOTAL	\$365,214	\$372,519	\$3,323	\$375,842
TOTAL	\$1,205,567	\$1,230,666	\$23,590	\$1,254,256
PEG FEE FUND (094B)				
CHANNEL LICENSEES – FAC/EQUIPMENT BASE				
Description	FY 2016-17 Base Funding	FY 2017-18 Approved (with 2% COLA)	FY 2017-18 Proposed Adjustments - 0.91% COLA	FY 2017-18 Total Adjusted
ACCESS SACRAMENTO				
PEG Base	\$93,032	\$94,893	\$847	\$95,740
SACRAMENTO EDUCATIONAL CABLE CONSORTIUM (SECC)				
PEG Base	\$50,520	\$51,530	\$460	\$51,990
TOTAL	\$143,552	\$146,423	\$1,306	\$147,729